This section contains the Initial Study (IS) that was completed for the proposed Cabrillo Power I LLC (Cabrillo Power I LLC or Applicant) Encina Marine Oil Terminal Decommissioning Project (Project) in accordance with the requirements of California Environmental Quality Act (CEQA). The IS identifies site-specific conditions and impacts, evaluates their potential significance, and discusses ways to avoid or lessen impacts that are potentially significant. The information, analysis and conclusions included in the IS provide the basis for determining the appropriate document needed to comply with CEQA. For the Project, based on the analysis and information contained herein, California State Lands Commission (CSLC) staff have found that the IS shows that there is substantial evidence that the Project may have a significant effect on the environment but revisions to the Project would avoid the effects or mitigate the effects to a point where clearly no significant effect on the environment would occur. As a result, the CSLC has concluded that a Mitigated Negative Declaration (MND) is the appropriate CEQA document for the Project.

The evaluation of environmental impacts provided in this IS is based in part on the impact questions contained in Appendix G of the State CEQA Guidelines; these questions, which are included in an impact assessment matrix for each environmental category (Aesthetics, Agriculture/Forest Resources, Air Quality, Biological Resources, etc.), are "intended to encourage thoughtful assessment of impacts." Each question is followed by a check-marked box with column headings that are defined below.

- Potentially Significant Impact. This column is checked if there is substantial
  evidence that a Project-related environmental effect may be significant. If there
  are one or more "Potentially Significant Impacts," a Project Environmental Impact
  Report (EIR) would be prepared.
- Less than Significant with Mitigation. This column is checked when the Project may result in a significant environmental impact, but the incorporation of identified Project revisions or mitigation measures would reduce the identified effect(s) to a less than significant level.
- Less than Significant Impact. This column is checked when the Project would not result in any significant effects. The Project's impact is less than significant even without the incorporation of Project-specific mitigation measures.
- **No Impact.** This column is checked when the Project would not result in any impact in the category or the category does not apply.

The environmental factors checked below would be potentially affected by this Project; a checked box indicates that at least one impact would be a "Potentially Significant Impact" except that the Applicant has agreed to Project revisions, including the

1 implementation of mitigation measures (MMs), that reduce the impact to "Less than

2 Significant with Mitigation."

8

9

10

 Table 3-1.
 Environmental Issues and Potentially Significant Impacts

	Nesthetics	Agriculture and Forest Resources	☐ Air Quality
⊠ E	Biological Resources		☐ Geology and Soils
	Greenhouse Gas Emissions	Hazards and Hazardous Materials	
	and Use and Planning	☐ Mineral Resources	Noise     Noise
□ F	Population and Housing	☐ Public Services	☐ Recreation
⊠ T	ransportation/Traffic	Utilities and Service Systems	
Other Major Areas of Concern: Commercial Fishing and Environmental Justice			
their significance determinations are provided for each environmental factor on the following pages, beginning with Section 3.1, Aesthetics. Relevant laws, regulations, and policies potentially applicable to the Project are listed in the Regulatory Setting for each environmental factor analyzed in this IS.  AGENCY DETERMINATION  Based on the environmental impact analysis provided by this Initial Study:			
	I find that the proposed project COULD NOT have a significant effect on the environment, and a NEGATIVE DECLARATION will be prepared.		
	I find that although the proposed project could have a significant effect on the environment, there will not be a significant effect in this case because revisions in the project have been made by or agreed to by the project proponent. A MITIGATED NEGATIVE DECLARATION will be prepared.		
	I find that the proposed project MAY have a significant effect on the environment, and an ENVIRONMENTAL IMPACT REPORT is required.		

11 Kelly Keen, Environmental Scientist

Signature

- 12 Division of Environmental Planning and Management
- 13 California State Lands Commission

Date